

HOUSE
RESEARCH

ORGANIZATION bill analysis

HB 3183
McWilliams

5/20/89 (CSHB 3183 by McWilliams)

SUBJECT: Regulating natural radiation in oil and gas exploration

COMMITTEE: Energy: committee substitute recommended

VOTE: 7 ayes--McWilliams, Perry, Holzheuser, Pennington,
Russell, Shelley, Yost

0 nays

1 present, not voting--Turner

1 absent--Craddick

WITNESSES: For--Bob Looney, Texas Mid-Continent Oil and Gas
Association; Scott Anderson, Texas Independent
Producers and Royalty Owners

Against--W. G. Jack Hendricks, Texas Radiation Advisory
Board; Jep Hill, Texcor Industries, Inc.

On--Doug Brookman, Texas Railroad Commission

BACKGROUND: Naturally occurring radioactive materials (NORMs)
emit low levels of radiation and are found in a wide
range of substances, from red granite to brazil nuts.
NORMs are also found in the scale left in pipes used in
oil production and in separation tanks where the oil is
separated from water.

The ability to measure NORMs is relatively new and
primarily due to recent advances in technology. While
the Texas Department of Health has the authority to
regulate low-level nuclear waste, it has issued no
regulations regarding NORMs. If NORMs became a public
health hazard, the health department could act to
protect the public health.

Small amounts of radiation are measured in picocuries.
A picocurie is one-trillionth of a curie, which is the
amount of radioactivity produced by one gram of radium.

DIGEST: CSHB 3183 would give the Texas Railroad Commission the
exclusive authority to regulate and set standards for
naturally occurring radioactive materials (NORMs) in
the production and exploration of oil and gas. The
commission would be required to define NORMs. The bill
would prohibit the Texas Department of Health from

regulating NORMs associated with oil and gas production.

The Railroad Commission could issue and collect fees for NORM permits through Aug. 31, 1991. The fee charged would have to cover the charge for issuing the permit and enforcing NORM regulations. The commission would be required to review the permit fee each year and determine that it only covered actual expenses. Fee revenue would be used for NORM regulation in the oil and gas industry.

If the federal government regulated NORMs, the Railroad Commission would be required to work with other state agencies if necessary to comply with federal law.

SUPPORTERS
SAY:

CSHB 3183 would allow the Railroad Commission to regulate small amounts of naturally occurring radioactive materials that result from the exploration and production of oil and gas. The commission would work in tandem with the health department on this important environmental issue. It would be more efficient and productive for all aspects of regulation of the oil and gas industry to remain with the Railroad Commission and not be dispersed.

The health department has the authority to regulate low-level radioactive waste. However, the levels and the quantities of low-level radioactive waste the department regulates is in another realm from that produced by the oil and gas industry. For example, the health department now regulates uranium mill tailings, where the low range of radioactivity begins at about 2,000 picocuries per gram and is found in huge holding ponds the size of buildings. The level of radiation in NORMs in the oil and gas industry is very small -- between 1 and 2,100 picocuries per gram -- and is generally found in ounces. The standard of regulation for large volumes of low-level radioactive waste should not be applied these small quantities.

OPPONENTS
SAY:

All regulation of radioactive waste, no matter how small an amount, should remain with the Department of Health. The Railroad Commission has no expertise in regulating radioactive materials. Just because NORMs occur in the oil patch does not mean the Railroad Commission is the best agency to regulate them.

It is perfectly reasonable for the Railroad Commission and Texas Department of Health work together on NORMs found in oil and gas production, but the health department should be the lead agency. With its experience and expertise, the health department should set the standards, and the Railroad Commission inspectors should be trained to inspect NORMs in the oil fields.

This bill could allow the oil and gas industry in effect to set up mini-radioactive waste disposal sites throughout the state. NORM waste associated with oil and gas production can emit thousands of picocuries of radium per gram. The public is very concerned about low-level nuclear waste, which is evident in the fact that Texas has not been able to establish a low-level nuclear waste site to date.

The oil and gas industry has overreacted to what it perceives as a threat from regulation by an unfamiliar agency and would prefer regulation by the Railroad Commission, which it knows and over which it can exert some influence. Louisiana passed some regulations under emergency conditions to control NORMs released in surface and ground water. These rules had an adverse affect on parts of the oil and gas industry, so now the industry wants to avoid a replay in Texas.

NOTES:

The original version did not give the Railroad commission exclusive rights to regulate NORMs in the oil and gas industry.

The companion bill, SB 1803 by Ratliff, was substituted and reported favorably by the Senate Natural Resources Committee on May 18.